



News Release

Attorney General Robert E. Cooper, Jr.

FOR IMMEDIATE RELEASE
March 9, 2009
#09-08

CONTACT: Sharon Curtis-Flair
(615) 741-5860

ATTORNEY GENERAL ENTERS RATE AGREEMENT WITH ATMOS ENERGY

Tennessee Attorney General Bob Cooper and Atmos Energy Corporation (Atmos) have reached an agreement ultimately saving home and business ratepayers \$4.9 million.

The Tennessee Regulatory Authority (TRA) unanimously approved the agreement. Atmos is a public utility offering natural gas service to 129,000 consumers in several Tennessee counties. The counties affected are Bedford, Blount, Carter, Greene, Hamblen, Hancock, Hawkins, Johnson, Maury, Moore, Obion, Rutherford, Sullivan, Washington and Williamson.

Atmos asked the TRA for a rate increase, which was later amended to total \$7.3 million for the delivery of natural gas to its customers. Under the terms of the agreement, the rate increase is reduced to \$2.5 million for an overall increase of 4.9%. However, a portion of the overall 4.9% increase is temporary and will expire in 30 months.

The rate increase will go into effect on April 1, 2009. Under the agreement, the average residential consumer is estimated to pay 95 cents more per month rather than the \$2.40 per month increase proposed by Atmos. Approximately \$671,000 of the rate increase is not permanent. Thus, the settlement initially reduces the rate increase originally sought by Atmos and provides larger savings after the initial 30 months.

"We are pleased to be able to save the Atmos ratepayers money, while allowing revenues sufficient for the company to provide quality service to Tennessee citizens and earn a reasonable profit for its shareholders," Attorney General Cooper said. "This Office will continue to monitor our state's regulated utilities to ensure Tennesseans pay fair rates."

Rates for the delivery of natural gas by privately owned public utilities are set by the Tennessee Regulatory Authority.